NO.92-741

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### IN THE

# Supreme Court of the United States

OCTOBER TERM, 1992

FEDERAL DEPOSIT INSURANCE CORPORATION.

Petitioner,

V.

JOHN H. MEYER, et al

Respondent.

On Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

OF THE NATIONAL EMPLOYMENT LAWYERS ASSOCIATION
IN SUPPORT OF RESPONDENT

DAVID W. GRAVES
GARY M. LATURNO
Laturno & Graves
4370 La Jolla Village Dr.
Suite 400
San Diego, CA 92122
(619) 546-4703
Counsel of Record for
Amicus Curiae

June 23, 1993

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OCTOBER TERM, 1992

FEDERAL DEPOSIT INSURANCE CORPORATION,

Petitioner,

v.

JOHN H. MEYER, et al

Respondent.

On Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

BRIEF AMICUS CURIAE OF THE NATIONAL EMPLOYMENT
LAWYERS ASSOCIATION (NELA)
IN SUPPORT OF RESPONDENT

### INTEREST OF THE AMICI CURIAE

The National Employment Lawyers Association respectfully submits this brief amicus curiae in support of Respondent in this case. The written consents of all parties have been filed with the Clerk of this Court.

3

The National Employment Lawyers Association is a national bar (NELA) association of over 1600 lawyers who regularly represent both public and private sector employees in employment related disputes. NELA is at the forefront of the national movement to recognize that all employees have the right to employment terminable only for cause. In addition, NELA members represent many employees with employment rights created by state law which have been terminated by government action.

NELA therefore has a compelling interest not only in ensuring that state rights to employment terminable only for cause, either express or implied, are recognized but also that the federal government does not unilaterally and arbitrarily deprive an employee of those rights. NELA therefore submits this brief because of the importance of the issues at bar to furthering these goals.

## SUMMARY OF ARGUMENT

of his (her) ... "property without due process of law." U.S. Constitution, Amendment V. An employee's right to continued employment may rise to the level of a constitutionally protected property right where state law establishes a "legitimate claim of entitlement." Board of Regents v. Roth, 408 U.S. 564, 577 (1972). A claim of entitlement is established by "agreements implied from 'the promisor's words and conduct in light of the surrounding circumstances' ... " Perry v. Sindermann, 408 U.S. 593, 602 (1972).

Here, respondent Meyer had a claim of entitlement by virtue of an implied agreement under California law. The FDIC seeks to vitiate Meyer's agreement by arguing it has a right to terminate bank management at will. FDIC brief pgs. 30-31. Nothing in the provisions cited by the FDIC, however, confers such broad discretion. The only right granted to the FDIC as receiver is "to [r]eject or repudiate ... any ... contract which it considers burdensome." 12 C.F.R.

- §569a.6(c)(3). Therefore, Meyer could reasonably have expected that his contract would be enforced unless and until the FDIC determined the contract was burdensome.
- 2. If Congress had intended to vest the FDIC with the authority it seeks, Congress would have taken such action. For example, Section Four, Fifth of the Federal Reserve Act empowers the Federal Reserve Bank to "dismiss at pleasure" its officers and directors. Given such authority, any employment contract limiting the Federal Reserve Bank's right to terminate only for cause is unenforceable. No such authority has been given by Congress to the FDIC.
- 3. The FDIC asserts that employment contracts such as respondent's are "exactly parallel" to unwritten side agreements which are unenforceable against a receiver under the <u>D'Oench</u> doctrine. This is not an action on a promissory note, and therefore, <u>D'Oench</u> does not apply.
- 4. The FDIC in this case is attempting to secure for itself "unreviewable authority ... to repudiate contracts in its sole

- discretion." FDIC brief p.32. The FDIC is asking this Court to ignore 12 C.F.R. §569.39, to read the burdensome requirement out of 12 C.F.R. §596a.6(c)(3) and, in so doing, legislate a rule that would allow the FDIC to defeat the contract rights of third parties where no such express authority exists. The FDIC would prefer to exercise this discretion without any outside scrutiny and thus with no guarantee that it would not arbitrarily deprive respondent, or others similarly situated, of their legitimate entitlement to employment and/or due process.
- opportunity to be heard at a "meaningful time and in a meaningful manner." Armstrong v. Manzo, 380 U.S. 545, 552 (1965). This Court has consistently held that the notice and opportunity must come before a person is deprived of a constitutionally protected right to employment. Cleveland Board of Education v. Loudermill, 470 U.S., at 542. A post-deprivation hearing is only justified by a compelling government interest. Boddie v. Connecticut, 401 U.S. 371, 379 (1971). Post-

deprivation hearings are rarely, if ever, appropriate where termination of the contract, as in this case, is virtually irreversible.

The primary reasons cited by the FDIC the need to act quickly, cutting costs, no
need for management assistance and the
acquiring institution's desire to place its
own people in charge - do not establish a
compelling government interest which would
outweigh the employee's right to notice and a
pre-deprivation hearing.

#### ARGUMENT

A. A Legitimate Entitlement To Continued Employment Is Not Extinguished By The "Broad Statutory Mandate" Under Which The FDIC Operates.

Under California law, an employee's right to continued employment subject to dismissal for cause may rise to the level of a constitutionally protected property interest. Federal regulations governing employment contracts between a savings and loan institution and its employees and empowering the FDIC to reject or repudiate such contracts do not diminish or extinguish that property interest.

1. A person may not be deprived of his "life, liberty or property without due process of law." U.S. Constitution, Amendment V.

employee's right to continued An employment may rise to the level of a constitutionally protected property right where state law establishes a "legitimate claim of entitlement." Board of Regents v. Roth, 408 U.S. 564, 577 (1972); see also Cleveland Board of Education v. Loudermill, 470 U.S. 532 (1985). A claim of entitlement is established not only by express contractual or statutory terms but also by "agreements implied from 'the promisor's words and conduct in light of the surrounding circumstances' ... [and] relating them to the usage of the past." Perry v. Sindermann, 408 U.S. 593, 602 (1972). Thus, this Court, as well as most state courts, including California, recognize that the right to terminate employment at the will of the employer is limited by an implied contract to terminate only for cause. 1 Id.

See <u>Cleary v. American Airlines.</u>

<u>Inc.</u>, 111 Cal.App.3d 443 (1980); <u>Eagles v.</u>

<u>Tanana Valley Medical-Surgical Group, Inc.</u>;

at 600-601. The existence of an implied contract gives an employee an entitlement that he (she) cannot be deprived of by government action without due process. <u>Perry</u>, 408 U.S. at 603.

In the case at bar, Meyer had a legitimate expectation of continued employment, i.e., an implied contract subject

to termination for cause under California law. The FDIC, however, seeks to vitiate this expectation by arguing that "the 'broad statutory mandate' granted federal receivers ... necessarily included a right to terminate bank management at will ... ." FDIC brief pgs. 30-31. Nothing in the provisions cited by the FDIC, however, confers any such unfettered discretion; nor should they be so construed.

12 C.F.R. §563.39, in effect during respondent's employment, provided:

An insured institution shall not enter into an employment contract with any of its officers or other employees if such contract would constitute an unsafe or unsound practice ... [T]he making of such an employment contract would be an unsafe or unsound practice if such contract could lead to material financial loss or damage to the insured institution or could materially interfere with exercise by the members of its board of directors of their duty of discretion as provided by law, charter, bylaw or regulation as to the employment of an officer or employee of the institution. This may occur, depending upon the

<sup>663</sup> P.2d 958 (Alaska 1983); Wagenseller v. Scottsdale Memorial Hospital, 147 Ariz. 370, 710 P.2d 1025 (1985); Wing v. JMB Property Management Corp., 714 P.2d 916 (Colo.App. 1985); Morgan v. Avondale Shipyards, 376 S.2d 516 (La. Ct.App. 1979); Wyman v. Osteopathic Hospital of Maine, Inc., 493 A.2d 330 (Me. 1985); Staggs v. Blue Cross of Md., 61 Md. App. 381, 486 A.2d 798 (1985); Brookshaw v. South St. Paul Feed Inc., 381 N.W. 2d 33 (Minn. App. 1986); Hinkeldey v. Cities Service Oil Co., 470 S.W. 2d 494 (Mo. 1971); Guidice v. Drew Chem. Corp., 210 N.J. Super 32, 509 A.2d 200 (1986); Hernandez v. Home Educ. Livelihood Program, Inc., 98 N.M. 125; 645 P.2d 1381 (N.M. App. 1982); Leithead v. American Colloid Co., 721 P.2d 1059 (Wyo. 1986); Chamberlain v. Bissel, Inc. 547 F.Supp. 1067 (W.D. Mich 1982); Mannikko v. Harrah's Reno, Inc., 630 F. Supp. 191 (D. Nev. 1986); Thompson v. American Motor Inns, Inc., 623 F. Supp. 409 (W.D. Va. 1985); Wolk v. Saks Fifth Avenue, Inc., 728 F.2d 221 (3rd Cir. 1984).

circumstances of the case, where an employment contract provides for an excessive term, or does not contain an appropriate termination for cause provision.

Nothing in this section prohibited Meyer (or any other employee) and his employer, Fidelity Savings, from entering into an employment contract terminable for good cause. 2 Moreover, the record is devoid of any indication: 1) that Meyer's contract could cause financial loss or damage to Fidelity; 2) that it would interfere in any way with the exercise of discretion by Fidelity's directors; or 3) that a contract limiting Fidelity's right to terminate only for good cause is an excessive term or is somehow inappropriate.

The only right granted to the receiver regarding existing contracts is "to [r]eject or repudiate any ... contract which it

considers burdensome." 12 C.F.R. §569a.6(c)(3) (1982). When read in conjunction with 12 C.F.R. §569.39, Meyer could reasonably have expected that his contract would be enforced unless it contained provisions which amounted to an "unsafe or unsound practice." Any such contract would presumably be "burdensome" as well.

Accordingly, contrary to the FDIC's contention, respondent's expectation of continued employment does not contradict the "broad statutory mandate." As the Ninth Circuit correctly concluded, "[t]he fact that federal, and arguably, state law conferred wide discretion to receivers to repudiate 'burdensome' contracts does not, retrospectively, annul the state entitlement." Meyer v. Fidelity Savings, 944 F.2d 562, 574 (9th Cir. 1991); (Appendix A to Writ of Certiorari, p.26a).

2. If Congress had intended to vest the FDIC with the authority it seeks, Congress would have taken such action. This court need only look to Section Four, Fifth of the Federal Reserve Act of 1913 (12 U.S.C. 341, Fifth) to

In California, good cause is defined as "a fair and honest cause or reason, regulated by good faith on the part of the party exercising the power." Wood v. Loyola Marymount University, 218 Cal.App. 3d 661, 670 (1990).

find support for this proposition. Section Four, Fifth empowers the Federal Reserve Bank to "dismiss at pleasure" its officers and directors. Given such authority, any employment contract, express or implied, limiting the Federal Reserve Bank's right to terminate only for cause is void and unenforceable. See Bollow v. Federal Reserve Bank, 650 F.2d 1093, 1097 (9th Cir. 1981) 3; Inglis v. Feinerman, 701 F.2d 97 (9th Cir. 1983). No such express authority has been granted to the FDIC, and none should be implied.

3. The FDIC asserts that employment contracts such as respondent's are "exactly parallel" to unwritten side agreements which are unenforceable against a receiver under the doctrine of <u>D'Oench</u>, <u>Duhme and Company</u>, <u>Inc</u>.

v. FDIC, 315 U.S. 447, 456 (1942). The FDIC reaches this conclusion by making the erroneous assumption that Meyer's state law entitlement was invalidated by the appointment of a federal receiver. This position is factually incorrect because it is not the appointment of a federal receiver that invalidates a contract, but rather the subsequent exercise of discretion by the receiver to accept some contracts and reject or repudiate others.

Moreover, and perhaps more importantly, the fundamental rationale of the <u>D'Oench</u> doctrine does not apply to this case. The <u>D'Oench</u> doctrine establishes that the FDIC as a receiver cannot be held liable for a claim based upon an unrecorded oral or written side agreement which is inconsistent with the written documents of the institution. <u>D'Oench, Duhme and Co.</u>, 447 U.S. at 459. The doctrine encompasses any claim against the insolvent institution that would increase its liabilities or diminish the value of its assets. <u>Id.</u> at 460, 461.

The <u>Bollow</u> court relied on two other cases interpreting statutes containing dismissal at pleasure language which came to the same conclusion; <u>Sims v. Fox</u>, 505 F.2d 857 (5th Cir. 1974) cert. denied, 421 U.S. 1011 (1975) and <u>Ventetuoio v. Burke</u>, 470 F.Supp. 887 (D.R.I. 1978), aff'd, 596 F.2d 476 (1st Cir. 1979).

"The doctrine is 'a common law rule of estoppel precluding a borrower from asserting against the FDIC defenses based upon secret or unrecorded 'side agreement' that alter the terms of facially unqualified obligations." Campbell Leasing, Inc. v. FDIC, 901 F.2d 1244, 1248 (5th Cir. 1990).

The purpose of the doctrine was recently discussed in Walsh v. New West Federal Savings Loan Assn., 234 Cal.App.3d, 1539, 1544 (1991):

As the U.S. Supreme Court recently explained, a primary purpose of the doctrine 'is to allow federal and state bank examiners to rely on a bank's records in evaluating the bank's assets.' Langley v. FDIC, 484 U.S. 86, 91 (1987) ... doctrine also seeks to 'ensure mature consideration of unusual loan transactions by senior officials, and prevent fraudulent insertion of new terms with the collusion of bank employees, when a bank appears headed for failure.' (Id. at p.92). Thus, "[t]he doctrine encourages debtors to memorialize all agreements in writing and reflects the equitable principle that losses incurred as a result of unrecorded arrangements should not fall on deposit insurers,

depositors or creditors but rather upon the person who could have best avoided the loss.' (Webb v. Superior Court, supra, 225 Cal.App. 3d at p.95, quoting Fair v. NCNB Texas National Bank, (N.D. Tex. 1990) 733 F.Supp. 1099, 1103.

Given the purposes of the doctrine, several courts have held that claims other than those based upon secret or unrecorded side agreements are not barred by the D'Oench doctrine. See Campbell Leasing, Inc. v. FDIC, 901 F.2d at 1244. [Although the D'Oench doctrine precludes claims for tortious interference with contract, breach of security agreement and intentional infliction of emotional and mental distress as a set-off to liability on a promissory note, it does not prevent the assertion of these theories as separate claims.]; Resolution Trust Corporation v. Murray, 935 F.2d 89 (5th Cir. [D'Oench doctrine prevents the 1991). assertion of any claims against the RTC to escape liability on promissory note, however independent action for damages is an permitted. FDIC v. Brodie, 602 So.2d 1358 (Fla.App. 1992). [Counterclaim to recover

monies due for service rendered at bank's request is not barred when not asserted in an attempt to avoid, or defend against promissory note]; Thomka v. Financial Corporation of America, 15 Cal.App. 4th 877 (1993). [The D'Oench doctrine does not preclude an action for breach of an implied employment agreement that an employee would only be terminated for cause.]

The most disturbing aspect of the FDIC's position in this matter is its attempt to secure for itself "unreviewable authority ... its sole in to repudiate contracts discretion." FDIC brief pg. 32. The FDIC is asking this court to ignore 12 C.F.R. §569.39, to read the "burdensome" requirement out of 12 C.F.R. §569a.6(c)(3) and, in so doing, to legislate a rule that would allow the FDIC, and presumably other government agencies, to defeat the legitimate contract rights of third parties where no such express authority has been granted by Congress. The FDIC's attempt here to legislate such a rule is directly at odds with the very right at stake in this case, i.e, the right to due process.

The right to due process is the right to "some kind of hearing" before the person is deprived of any significant property interest. Cleveland Board of Education v. Loudermill, 470 U.S. at 542 (1985). "The touchstone of due process is protection of the individual against arbitrary action of government." Wolff v. McDonnell, 418 U.S. 539, 558 (1974). "The prior decisions of this court ... establish a principle that is as obvious as it is compelling -- i.e., federal and state government and governmental agencies are restrained by the Constitution from acting arbitrarily with respect to employment opportunities that they either offer or control." Board of Regents v. Roth, 408 U.S. at 588 (Marshall, T. dissenting). As stated in Fuentes v. Shevin, 407 U.S. 67, 80-81 (1972):

The constitutional right to be heard is a basic aspect of the duty of government to follow a fair process of decision-making when it acts to deprive a person of his [property]. The purpose of this requirement is not only to ensure abstract fair play to the individual. Its purpose, more particularly, is to

protect his use and possession of property from arbitrary encroachment - to minimize substantially unfair or mistaken deprivations of property

Respondent was entitled to continued employment pursuant to his contract with his employer, subject to termination only if the FDIC determined that his contract was burdensome. The FDIC would prefer to make these decisions in secret without any outside scrutiny, and thus with no guarantee that they would not arbitrarily or unfairly deprive respondent, or others similarly situated, of their legitimate entitlement to employment and/or due process. It is just this kind of decision making that the Fifth Amendment is intended to prevent.

B. Due Process Can Only Be Satisfied When An Employee Is Provided With A Predeprivation Hearing.

The FDIC asserts that a pre-deprivation hearing is not required when a contract is rejected or repudiated because the necessity for quick action as well as the availability of a meaningful opportunity to be heard

following termination satisfies the requirements of due process. However, neither the facts in this matter nor the law support the FDIC's position.

Due process requires notice and an opportunity to be heard "at a meaningful time and in a meaningful manner". Armstrong v. Manzo, 380 U.S. at 552. This court has consistently held that the notice and opportunity must come before a person is deprived of a constitutionally protected right to employment. Cleveland Board of Education v. Loudermill, 470 U.S. at 542; Board of Regents v. Roth, 408 U.S. at 569-570; Perry v. Sindermann, 408 U.S. at 599-603. A postdeprivation hearing is only justified in "extraordinary situations where some valid governmental interest is at stake that justifies postponing the hearing until after the event." Boddie v. Connecticut, 401 U.S. at 379.

As this Court stated in Logan V. Zimmermann Brush Co., 455 U.S. 422, 434 (1982):

[T]he timing and nature of the required hearing "will depend on appropriate accommodation of the competing interests involved." Goss v. Lopez, 419 U.S. at 579. These include the importance of the private interests and the length or finality of the deprivation. See Memphis Light, Gas & Water Div. v. Oraft, 436 U.S., at 19, and Mathews v. Eldridge, 424 U.S., at 355 ... the likelihood of government error ... and the magnitude of the governmental interests involved, see ibid, and Wolff v. McDonnell, 418 U.S., at 561-563. (Footnote omitted).

It is undisputed that the contractual right to continued employment is a fundamental right subject to due process protection. Cleveland Board of Education v. Loudermill, 470 U.S. at 543; Fusari v. Steinberg, 419 U.S. 379, 389 (1975); Bell v. Burson, 402 U.S. 535, 539 (1971); Goldberg v. Kelly, 397 U.S. 254, 264 (1970); Sniadach v. Family Finance Corp., 395 U.S. 337, 340 (1969). In addition, the receiver's decision to terminate is final. It

is highly unlikely that any post-deprivation hearing would provide the only adequate remedy in this case - reinstatement. Moreover, given the FDIC's description of the hasty nature in which its decisions are made, it would appear that the likelihood of government error in determining whether or not an employment contract is burdensome is high indeed.

Therefore, the employee's input is important to ensure an accurate decision. As this Court observed in <u>Cleveland Board of Education v. Loudermill</u>, 470 U.S., at 543:

Dismissals for cause will often involve factual disputes. Cf. Califano v. Yamasaki, 442 U.S. 682, 686 (1979). Even where the facts are clear, the appropriateness or necessity of the discharge may not be; in such cases, the only meaningful opportunity to invoke the discretion of the decision maker is likely to be before the termination takes effect. See Goss v. Lopez, 419 U.S., at 583-584, Gagnon v. Scarpelli, 411 U.S. 778, 784-786 (1973).

Apparently, because of the magnitude of the employee's interest in a pre-deprivation hearing, the FDIC chooses to focus on the

government interests involved, i.e., "to protect the interests of depositors and to maintain the public confidence in our banking institutions." FDIC v. Mallen, 486 U.S. 230, 241 (1988). The FDIC asserts that during a assumption" transaction, "purchase and "immediate termination of the employment of top management is justified by more than merely the need to cut costs." FDIC brief pg. 38. The FDIC makes the bald assertion that "It the receiver no longer needs the assistance of top management. And the acquiring institution ordinarily seeks to place its own personnel in charge and is not eager to keep in place the former management, which was responsible for or associated with the policies that led to the institution's failure." Id. 4

Nothing in the record indicates that the duties and responsibilities carried out by respondent or any other Fidelity employee ceased to exist during the period in which the receiver attempted to arrange for a "purchase and assumption" transaction. The record is also silent on whether or not the FDIC was able to "cut costs" by having someone else perform these duties.

Moreover, if the institution is not immediately closed, as in the case at bar, there is a need for employees, management or otherwise, to carry out the day-to-day operations of the institution. In this case, Meyer's duties as Vice President of Branch Operations, negotiating leases and personnel and administrative management (J.A. 72) certainly did not evaporate when Fidelity went into receivership.

Under the circumstances the public interest in retaining qualified employees to avoid the cost of training new ones as well as "keeping citizens usefully employed rather than taking the possibly erroneous and counterproductive step of forcing...employees

Because Meyer had no responsibility for Fidelity's loan policies (J.A. p.72-73), this rationale has no application in the case at bar or in a situation where the employee was not "responsible for or associated with the policies that led to the 'institution's failure.'"

onto welfare rolls" (Cleveland Bd. of Educ. v. Loudermill, 470 U.S. at 544) mandates a predeprivation hearing. Anything less would result in additional cost with a corresponding decrease in the institution's assets and further erosion in the "public confidence."

Finally, whether or not the acquiring institution seeks to replace the employees with its own personnel is a decision the acquiring institution can make at the time of purchase.

Given the realities of the need for the institution to continue to function, the need for prompt action is not inconsistent with providing management or other employees with pre-deprivation notice and a hearing. 5

None of the reasons cited by the FDIC establish a compelling "necessity for quick action" which would outweigh the employee's right to notice and a pre-deprivation hearing.

Moreover, the hearing need not be a full blown trial. All that is required is an opportunity to respond either orally or in writing. Cleveland Board of Education v. Loudermill, 470 U.S. at 546. Notice and the hearing can occur simultaneously. Goss v. Lopez, 419 U.S. at 582. Such a procedure would not impose a significant burden on the FDIC.

As stated by Justice Marshall in his dissenting opinion in <u>Board of Regents v.</u>
Roth, 408 U.S. at 591:

It may be argued that to provide procedural due process to ... employees ... would place an intolerable burden on the machinery of government ... The short answer to that argument is that it is not burdensome to give reasons when reasons exist. Whenever ... an employee is discharged ... there

Although the need to achieve government goals through prompt procedures is a legitimate government interest, "the Constitution recognizes higher values than speed and efficiency. Indeed, one might fairly say of the Bill of Rights in general, and the Due Process Clause in particular, that they were designed to protect the fragile values of a vulnerable citizenry from the overbearing concern for efficiency and efficacy that may characterize praiseworthy government officials no less, and perhaps

more, than mediocre ones." Stanley v. Illinois, 405 U.S. 645, 656 (1972).

should be some reason for the decision. It can scarcely be argued that government would be crippled by a requirement that the reason be communicated to the person most directly affected by government's action. Where there are numerous applications for jobs fand presumably terminations a take-over following receiver), it is likely that few will choose to demand reasons for not being hired [or fired]. But, if demand the for reasons is exceptionally great, a summary of procedures can be devised that would provide fair and information to all persons. As long as the government has a good reason for its actions, it need not fear disclosure. It is only where the government acts improperly that procedural due process is truly burdensome. And that is precisely where it is most necessary. 'Experience teaches ... that the affording of procedural safeguards. which by their nature serve to illuminate the underlying facts, in itself often operates to prevent erroneous decisions on the merits from occurring. When the government knows it may have to justify its decisions with sound reasons, its conduct is likely to be more cautious, careful and correct. (citations omitted)

The underlying principle of due process is fairness. "[F]airness can rarely be obtained [however] by secret, one-sided determination of facts decisive of rights."

Joint Anti-Fascist Refugee Committee v.

McGrath, 341 U.S. 123, 170 (1951)

(Frankfurter, J., concurring) cited with approval in Fuentes v. Shevin, 407 U.S. at 81.

In order to fulfill its purpose, the right to notice and a hearing must be granted "at a time when the deprivation can still be prevented." Fuentes, 407 U.S. at 81. For although a subsequent hearing may technically undo that which has already been done, a subsequent hearing and even a damage award cannot undo the fact that the arbitrary taking of the protected property has already occurred. Id. at 82. "This Court has not ... embraced the general proposition that a wrong may be done if it can be undone." Id. quoting Stanley v. Illinois, 405 U.S. 645, 647 (1972).

#### CONCLUSION

implied contract restricting an employer's right to terminate for cause is a constitutionally protected property right. Once the government arbitrarily, unfairly and/or mistakenly deprives a person of that right without due process, there is no effective remedy. The burden of providing a pre-deprivation hearing is minimal, especially in light of the harm suffered by the employee. Accordingly, the Ninth Circuit properly weighed the competing interests in finding that Meyer's due process rights had been violated. NELA therefore respectfully requests that the decision of the Ninth Circuit be affirmed.

Respectfully Submitted,

\*David W. Graves, Esq. Gary M. Laturno, Esq. LATURNO & GRAVES 4370 La Jolla Village Dr. #400 San Diego, CA 92122 (619) 546-4703

\*Counsel of Record for National Employment Lawyers Association